



Cornerstone UN SDG Series: Zero Hunger

Investing to Align with SDG 2: Zero Hunger

Approximately 815 million people are undernourished worldwide, a figure that is expected to increase as the population grows and as climate change disrupts agricultural production.¹ The impacts of hunger are both immediate and long lasting — it is responsible for mortality and stunting in children, and can lead to lifelong health conditions.² If efforts to meet this growing challenge and achieve zero hunger are to succeed, changes are needed to make food and agriculture systems more sustainable, efficient, and accessible.

SDG 2 is further refined by targets that can be more readily translated into actions. These targets highlight the interconnected nature of the goals: For example, strategies to achieve Zero Hunger also promote progress toward SDG 8 (Decent Work and Economic Growth) and SDG 11 (Sustainable Cities and Communities). Below are a series of synergies that can come from providing access to products, services and systems that target Zero Hunger.



Access to Safe, Affordable & Sustainable Transportation

The majority of rural economies in developing countries around the world are agrarian. However, approximately 45% of the land area in low-income countries and 51% in lower-middle-income countries is located more than five hours away from the main market, severely constraining the potential of agriculture to help meet local food needs.³ Access to affordable transportation options means farmers pay less for inputs to produce food, and less to move that food to market,⁴ as a result, consumers have better food options at affordable prices.⁵ Given the distance between producers and major markets, farmers sometimes experience “stranded harvests” when the cost to move the crops to market outweighs the potential profits. Small scale farmers are affected far more than larger farmers by a lack of access to mobility because they rely on infrastructure much more than large farmers.



What are the UN SDGs?

The UN Sustainable Development Goals (SDGs) are a collection of 17 global goals set by the UN General Assembly in 2015. The SDGs are a shared blueprint for peace and prosperity for people and the planet, now and into the future. The SDGs are part of Resolution 70/1 of the UNGA titled “Transforming our World: the 2030 Agenda for Sustainable Development,” now referred to as the “2030 Agenda”.

What are the UN SDGs designed to do?

The SDGs are designed to address the global challenges we face, including those related to poverty, inequality, climate, environmental degradation, prosperity, sustainability, and peace and justice. They represent a call to action for governments, civil society, international organizations, and the private sector to align their activities with the social, environmental and economic changes needed to ensure the continued viability of our planet and the dignity of societies and individuals.





Access to Sustainable Sources of Food and Nutrition

Currently, one in nine people, or 821 million people globally, struggle to meet their daily nutritional needs. One in three people suffer from malnutrition. A poor diet can lead to poor health and as a result, have considerable impacts on local and national education and employment levels.⁶ Poverty is the main cause of hunger globally, stemming from a lack of resources and unequal income distribution. Hunger-related illnesses abound in food-insecure communities.^{7,8} A focus on the quantity of food that is produced globally must be balanced with a focus on its nutritional quality to achieve global food security. Small and large farms are equally important in addressing access to adequate nutrition as large farms produce in quantity and small farms produce a greater diversity of foods and generate wider nutritional benefits.⁹ The UN describes malnutrition as the “Global Triple Threat”; emphasizing hunger, micronutrient deficiencies as well as the dangers of growing overweight and obese populations. There is a loss in 10% of global GDP attributed to this “Global Triple Threat”.¹⁰



Access to Financial Services

The establishment of financial services and systems is important to the long-term sustainability of a farms and food-related small businesses.¹¹ The ability to make agricultural investments and infrastructure requires long-term planning and investment in technology for both large and small scale operations. Many smallholder farmers need a greater emphasis on access to insurance and other risk management mechanism in order to thrive in an increasingly competitive economy and to adapt to the risks of climate change.¹²



About the Cornerstone SDG Series

By providing a brief overview of each of the UN SDGs, Cornerstone Capital Group seeks to help investors understand how incorporating SDG alignment into their investment decisions can contribute to progress. Because the SDGs were not created specifically with investors in mind, Cornerstone effectively “translates” them into investment opportunities by focusing on the concept of access: the ability of individuals and societies to achieve desired social, economic and environmental outcomes. We believe that investing in products, services and systems that increase access is key to driving progress toward the SDGs.

At Cornerstone, we believe that investments can achieve competitive financial performance and positive societal impact – performance that sacrifices nothing, except indifference.

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(1) <https://sustainabledevelopment.un.org/sdg2>. (2) Martins, V. et al. 2011. Long Lasting Effects of Undernutrition. International Journal of Environmental Research and Public Health. (3) <http://www.slocat.net/news/1901>. (4) <https://www.ams.usda.gov/sites/default/files/media/RTIReportExecSum.pdf>. (5) <https://reliefweb.int/report/world/sustainable-agriculture-end-world-hunger>. (6) <https://www1.wfp.org/zero-hunger>. (7) <https://www.worldhunger.org/world-hunger-and-poverty-facts-and-statistics/> (8) <https://www.un.org/development/desa/dpad/wp-content/uploads/sites/45/Chapter4.pdf> (9) <http://www.environmentreports.com/small-farms-stewards-global-nutrition/> (10) Ibid. (11) https://www.ifc.org/wps/wcm/connect/industry_ext_content/ifc_external_corporate_site/financial+institutions/resources/access+to+finance+for+smallholder+farmers (12) <http://www.worldbank.org/en/topic/financialsector/brief/agriculture-finance>